

## Message Text

CONFIDENTIAL

PAGE 01 STATE 109876  
ORIGIN EB-08

INFO OCT-01 EUR-12 EA-10 ISO-00 DOE-15 NSC-05 AID-05  
CEA-01 CIAE-00 COME-00 FRB-03 INR-10 IO-13 NEA-10  
NSAE-00 ICA-11 OPIC-03 SP-02 LAB-04 SIL-01  
AGRE-00 OMB-01 SS-15 SOE-02 DODE-00 H-01 INT-05  
L-03 PM-05 OES-07 STR-07 ACDA-12 TRSY-02 /174 R

DRAFTED BY EB/FSE: HICKEY/BOSWORTH: VS  
APPROVED BY EB: S BOSWORTH  
DOE: A H BERGOLD  
NSC: J RENNER  
TREASURY:H JUNZ  
E: S BLACK  
EB/FSE: R MARTIN  
EUR/RPE: A C ALBRECHT

-----117786 300005Z /70

R 290306Z APR 78  
FM SECSTATE WASHDC  
TO AMEMBASSY BRUSSELS  
INFO AMEMBASSY BONN  
AMEMBASSY LONDON  
AMEMBASSY PARIS  
AMEMBASSY ROME  
AMEMBASSY TOKYO  
AMEMBASSY OTTAWA

C O N F I D E N T I A L STATE 109876

USEEC , USOECD

E.O. 11652: GDS

TAGS: ENRG, EEC

SUBJECT:ENERGY: EC COMMISSION PROPOSAL FOR ECONOMIC  
SUMMIT OIL PACT  
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PAGE 02 STATE 109876

REF: BRUSSELS 7191  
1. OUR REACTION TO THE EC COMMISSION'S SUGGESTION FOR AN  
"OIL PACT" TO BE AGREED AT THE ECONOMIC SUMMIT IS NEGATIVE.  
IT WAS DISCUSSED BRIEFLY AT THE SUMMIT PREPARATORY MEETING  
IN BONN WHERE IT DID NOT APPEAR TO ENJOY SUPPORT FROM ANY  
OF THE PARTICIPANTS.

2. WE SEE BOTH CONCEPTUAL AND PRACTICAL DIFFICULTIES WITH THE COMMISSION'S IDEA. FIRST, THE IEA HAS RECENTLY COMPLETED A U.S.-LED EXERCISE TO ESTABLISH A REDUCED IMPORT DEPENDENCE PROGRAM, INCORPORATING A 1985 IMPORT TARGET OF 26 MILLION B/D, THE ENDORSEMENT OF BASIC PRINCIPLES TO GUIDE THE DEVELOPMENT OF NATIONAL ENERGY POLICIES, UNDERTAKINGS BY INDIVIDUAL MEMBERS AS TO THEIR NATIONAL EFFORTS TO HELP MEET THE GROUP OBJECTIVE, AND ANNUAL REVIEWS OF NATIONAL PERFORMANCES. FRANCE IS OF COURSE NOT A PARTICIPANT IN THIS IEA PROGRAM, BUT FRENCH EFFORTS TO LIMIT OIL IMPORTS ARE GENERALLY EQUIVALENT TO THOSE OF THE IEA MEMBERS. WE FAIL TO SEE HOW "MUTUAL DECLARATIONS OF INTENT" ON 1985 IMPORT LEVELS COMING OUT OF THE SUMMIT WOULD, IN THE LIGHT OF COMMITMENTS ALREADY TAKEN BY IEA MINISTERS, ADD SIGNIFICANTLY

TO THE CREDIBILITY OF OUR ENERGY EFFORT VIS-A-VIS EITHER OUR OWN PUBLICS OR OPEC. IN FACT, THIS PROLIFERATION OF TARGETS MIGHT DIMINISH OUR CREDIBILITY.

3. SECOND, WE NOTE THAT THE U.S. ORIGINALLY ATTEMPTED DURING THE DEVELOPMENT OF THE IEA PROGRAM TO ESTABLISH INDIVIDUAL COUNTRY TARGETS FOR 1985. OTHER COUNTRIES, INCLUDING ALL THE EC MEMBERS EXCEPT DENMARK, REJECTED OUR SUGGESTION ON THE GROUNDS THAT IT WAS NOT POSSIBLE TO AGREE ON CRITERIA FOR BURDENSARING AND EQUIVALENCE OF EFFORT.

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PAGE 03 STATE 109876

4. AND FINALLY, WE SEE MAJOR PROBLEMS IN ATTEMPTING TO SET SHORT-TERM IMPORT TARGETS SUCH AS THOSE SUGGESTED FOR 1978/79 BY THE COMMISSION. GIVEN THE TIGHT LINK BETWEEN ECONOMIC GROWTH AND DEMAND FOR OIL, PARTICULARLY IN THE SHORT-TERM, SUCH TARGETS WOULD IMPLY--IF THEY WERE TO BE CREDIBLE IN TERMS OF HOLDING IMPORTS BELOW THE LEVELS THEY WOULD OTHERWISE HAVE REACHED--THAT GOVERNMENTS ARE SUBJUGATING OVERALL GROWTH AND EMPLOYMENT GOALS TO THEM.

5. ON THE OTHER HAND, WE DO BELIEVE THAT THE SUMMIT CAN BE USED TO GIVE IMPETUS TO NATIONAL ENERGY PROGRAMS AND TO STRENGTHEN INTERNATIONAL COOPERATION IN ENERGY. WE HAVE A NUMBER OF IDEAS ON SUCH MATTERS AS ENERGY INVESTMENT, ITS ROLE IN OVERALL GROWTH STRATEGY, ETC., WHICH WE WILL BE DISCUSSING IN THE SUMMIT ENERGY WORKING GROUP.

VANCE

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** ENERGY, PETROLEUM, SUMMIT MEETINGS, TRADE AGREEMENTS  
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**Copy:** SINGLE  
**Draft Date:** 29 apr 1978  
**Decaption Date:** 01 jan 1960  
**Decaption Note:**  
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**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 20 Mar 2014  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
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**Document Unique ID:** 00  
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**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
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**Original Handling Restrictions:** n/a  
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**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** n/a  
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**Review Release Date:** n/a  
**Review Release Event:** n/a  
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**Status:** NATIVE  
**Subject:** ENERGY: EC COMMISSION PROPOSAL FOR ECONOMIC SUMMIT OIL PACT CONFIDENTIAL  
**TAGS:** ENRG, EEC  
**To:** BRUSSELS  
**Type:** TE  
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**Review Markings:**  
Sheryl P. Walter  
Declassified/Released  
US Department of State  
EO Systematic Review  
20 Mar 2014  
**Markings:** Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014